

***Special State Reserve Grant Funds
for Children with Disabilities***

Procedures and Instructions

Fiscal Year 2019-2020

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Procedures and Instructions for Special State Reserve Funds

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Procedures for Requesting and Reverting Special State Reserve Grant Funds

Special State Reserve Grant Funds (SSRF) for children with disabilities, age three to 21, are not intended to replace any existing state, federal or local exceptional children funds.

Beginning October 21, 2019, the MS Word fillable applications must be emailed as a password protected document to the SpecialGrants@dpi.nc.gov email address. Applications sent postal mail will not be accepted for the 2019-2020 school year. EC Division personnel will review applicant students' supporting documentation in ECATS. Other supporting documentation such as invoices/receipts for equipment purchases, health care plan, etc. are also to be emailed as per directions in this manual. If additional information is needed, the PSU EC Director/Coordinator will be contacted.

Password Protected Email Instructions

- If compatible encryption is not available to both parties, data should be password protected. The password should be given to the recipient through a different medium, such as a phone call. Never provide the password in notes or documents accompanying the actual data file, or another email. Additionally, the password should not be transferred via voicemail.
- When protecting the document with a password, go to File>Info>protect document, in the dropdown. Select Encrypt with password. A box will populate for you to enter a password (passwords are case sensitive).
- Once the document is password protected, save the document as PSU#_PSUName_type of document (i.e. application, update form, etc.) and then email it to specialgrants@dpi.nc.gov

Applications **must be submitted within 60 days** of the student's first day of attendance or the date of the documented change in condition. The last day to submit an application is May 15, 2020. The emailed application provides the EC Division with a date and time stamp of the applications submitted.

The application and update form include signature fields for the EC Director/Coordinator, Finance Officer and Superintendent. Obtain all signatures prior to emailing.

Basis of Application Approval: SSRF are available only in the student's **initial year of enrollment in the PSU**. Approval is based on availability of funds and the documented high cost needs of the students with disabilities presented. The funding description for these funds in PRC 063 is "Reserve-Severely Handicapped" which further emphasizes that funds are for students with a high level of need. The funding requests in the application must be supported by documentation for the personnel or equipment requested. Exceptional Children (EC) Division personnel reviewing applications for approval will review documents in ECATS to verify funding requests. If additional information is needed, the EC Director/Coordinator will be contacted.

A child who was enrolled in the PSU during the previous year may be eligible for SSRF if he/she has experienced a **change in condition** that results in an IEP team putting in place additional services after assessments or other documentation have been reviewed. The change is not expected and could not have been anticipated.

- Two examples of a change in condition:
 - A child was not identified as an exceptional child, but due to an injury and the completion of the eligibility process, was found eligible by an Individualized Education Program (IEP) Team. Due to the child's level of need, a personal care assistant is required in order for the child to attend school. As a result of the changes, the child is identified as an exceptional child and has documented high cost needs that the PSU was not financially prepared to address.
 - A child was identified as an exceptional child, but after reviewing reevaluation documentation, the IEP team has determined that the child is in need of a 1:1 spoken language facilitator. The

PSU had not anticipated the need for the additional personnel and, therefore, had not planned for the expense of the spoken language facilitator's salary.

Student Ineligibility: A student will be considered ineligible for SSRF if any of the following apply to the child and PSU:

- Student does not present with having high needs as per responses on application.
- There is not sufficient documentation to support funding request.
- There is not sufficient documentation demonstrating that necessary interventions, resources and supports have been put in place to address the student's needs.
- Student has been enrolled for more than sixty (60) calendar days (application must be submitted within the 60 days), or submission date is beyond the sixty (60) calendar days of the IEP team meeting documenting the change in condition.
- Enrolled during the previous school year but does not meet eligibility requirements under a change in condition.
- Received any of the following funds in the previous school year in the current PSU:
 - Special State Reserve Funds (PRC 063)
 - Average Daily Membership (ADM)
 - State Exceptional Children Funds
 - Behavioral Support Funds (PRC 029)
 - Out-of-District Funds
 - Federal IDEA, Part B, 611/619
 - Risk Pool Program Funds (PRC 114)
 - Group/Foster Home Funds (PRC 060 & 032)
 - Developmental Day Funds (PRC 063)
 - Community Residential Funds (PRC 063)
- Received any of the following funds in current school year in the current PSU:
 - Behavioral Support Funds (PRC 029)
 - Out-of-District Funds
 - Risk Pool Program Funds (PRC 114)
 - Group/Foster Home Funds (PRC 060 & 032)
 - Developmental Day Funds (PRC 063)
 - Community Residential Funds (PRC 063)

Funding requests must consider projected and actual costs of personnel benefits, the need for substitute personnel and the child's historical attendance (frequent absences decrease costs of some services). If a student is enrolling after the school year has begun, request is to be based upon financial need for months remaining in the school year. When costs are overestimated, the number of children state-wide who benefit from grant funds decreases, resulting in children who are denied funding due to lack of funds.

- Prorating costs for classroom teachers or other school staff cannot be used in the calculation of the cost of special education and related services.
- SSRF are student specific grant dollars; therefore, **personnel** whose salaries are funded with SSRF can work only with the child who is named in the SSRF application. If the child withdraws from the PSU, personnel funded with SSRF can no longer be supported with those funds. The maximum period of employment for personnel salaries funded via an approved SSRF application is the ten (10) calendar months for the PSU receiving the funding. Entry-level salaries noted in the current state salary schedule are to be used when requesting personnel funds. Locally provided benefits and supplements are not fundable expenditures.
- **Contractor** compensation fund requests are not to exceed the portion of the contractual compensation amount for the services provided to the student named in the application.
- Prorating costs for school staff cannot be used in the calculation of the cost of special education services.
- SSRF cannot be used to support special educational methodologies, create new classes, provide transportation, and/or purchase consumable materials. Costs must show excess in personnel required, assistive technology and specialized equipment, etc.

Equipment requests must include an invoice or receipt from the vendor listing items purchased and prices. The student's PowerSchool Number will need to be on the invoice or receipt to allow DPI personnel to match it to the corresponding application. Purchase Orders and Quotes will not be accepted. The documents will need to be emailed with a naming convention (PSU#_PSUName_type of document) to SpecialGrants@dpi.nc.gov.

An equipment request must be student specific, and it will be verified by EC Division personnel using student information available in ECATS. If additional information is needed, the PSU will be contacted. Consumable supplies are not a fundable expenditure.

Any equipment purchased for a student with SSRF must accompany the student if the student transfers to another PSU in North Carolina. If the student moves out of North Carolina, the equipment remains with the PSU.

Approval notification will be provided via a memo to the Exceptional Children Program Director/Coordinator. The memo will state the exact amount allocated and how the allocated funds can be spent.

- These funds are student specific and can only be used as specified in the approval memo and as described in the original application.
- Notification of funds to be allocated will be sent to the School Allotment Section. The finance officer will receive an allotment revision report indicating the amount approved under PRC 063 (traditional PSUs) or PRC 036 (Charter PSUs).

Denial of request: All requests will be reviewed by the Exceptional Children Division. If the request is denied, the PSU will be notified via a memo sent to the Exceptional Children Program Director/Coordinator indicating the reason for denial.

Amendment of Requests: If amendments are needed in a student's original application or budget, the PSU must send a password protected email to specialgrants@dpi.nc.gov requesting the amendment. If there is a need to reuse or revert funds, the PSU must notify the EC Division by submitting the *Special State Reserve Grant Funds Update Form*. The PSU will receive a notification of approval or denial of these requests.

Withdrawals or changes in services: The Exceptional Children Division must be notified of any change in the student's status, eligible services, or withdrawal no later than **ten (10) calendar days** after the change by submitting the *Special State Reserve Grant Funds Update Form*. If the student has withdrawn and additional time is needed due to outstanding invoices for payment of services, an explanation can be provided in the narrative section of the form.

Reverting Funds: Funds are to be reverted any time during the school year when it is known that some or all funds will not be needed. When funds are reverted early, they can be reallocated to benefit a child whose application was previously denied due to lack of funds. Any unused funds must be returned by submitting *Special State Reserve Grant Funds Update Form*.

SSRF may revert for various reasons. Several examples follow:

- The student approved for funds no longer needs the services designated on the application (e.g. student withdraws, student is placed homebound or child's day has been modified).
- The student no longer needs the level of services specified in the initial application (e.g. 1:1 no longer needed).
- The IEP Team determines the student no longer qualifies for services.
- The student had many absences and a contractor is invoiced only for days the child attends school.
- As a PSU conducts quarterly reviews of expenditures, it is realized that funds will be remaining.

Reuse of Funds: Unless approved by the Exceptional Children Division, funds cannot be used for another student or for a student's application that was not funded due to unavailability of funds (all funds were allocated). Request for reuse of funds for another student with an approved application on file with the EC Division may be made

submitting the *Special State Reserve Grant Funds Update Form*. The PSU's EC Director/Coordinator will receive a notification of approval or denial for the request.

Validation Visits: The Exceptional Children Division may schedule a validation visit to verify the use of Special State Reserve Grant Funds.

- PSU selection for visits may be targeted based on risk factors or SSRF application requests. Selection may also be random. A visit for validation of Special State Reserve Grant Funds may be combined with a visit for Risk Pool Program Grant Funds.
- Visits are typically scheduled to take place during 3rd and 4th quarter after the bulk of applications have been received and funds have been allocated.
- The PSU will provide an escort for the visiting EC Division Consultant to assist with traveling to the school(s) where the students are in attendance, checking in at school, introductions of staff, etcetera.
- The visit will include interviews with staff paid with SSRF, meeting the students benefitting from the funds, and a review of each student's expenditures
 - PSU will need to provide a copy of an official financial report showing expenditures. If it is determined that funds were not spent as per application approval and SSRF parameters, PSU will receive written notification of any corrective action that will need to be taken, along with due date for submitting corrections.
 - Corrective action may include repayment of funds.
- At the conclusion of the visit, depending on time available, a brief meeting may take place to provide the EC Director /Coordinator general information about the visit.
- The PSU will receive written notification of the closure of the visit when the PSU is compliant or when the corrective action issues are resolved.

Fiscal Requirements for Special State Reserve Funds

- Special State Reserve Funds are student specific. The amount provided for the student named in the application must be used for only him/her. Without appropriate approval, funds designated for one student cannot be used for another student's expenses, even when the other student is also a recipient of Special State Reserve Grant Funds.
 - Funds may only be used for services described in the original application. Any amendments to the application and budget must be submitted to the EC Division via email to specialgrants@dpi.nc.gov. The PSU will receive notification of approval or denial of the request.
- Costs for special education and related services must be for direct services to the student named in the application. Funds cannot be used to support other students. Examples:
 - During the period of time a student is receiving related services funded via SSR funds, other students cannot participate in the therapy session.
 - If a personal care assistant is funded via SSR funds, the assistant cannot serve in the role as a classroom teaching assistant. Furthermore, the assistant cannot serve as a substitute when the child is absent unless paid from a funding source other than SSR funds.
- Special State Reserve Funds are not to be used to support special educational methodologies, create new classes, provide transportation, and/or purchase consumable materials. Costs must show excess in personnel required, assistive technology and specialized equipment, etc.
- These funds may not be used to contract for special education and/or related service(s) to serve the child outside the PSU.
- Special State Reserve Funds cannot be used for reimbursement of past year's expenses.
- The *Special State Reserve Grant Funds Update Form* is required from all PSUs receiving Special State Reserve Grant Funds to provide a detailed update on the student's status. Failure to submit the form may prevent the PSU's participation in Special Project Grant funding for the following year.
 - If a student's status has changed (e.g. the student is no longer enrolled or services are no longer needed), the form is to be submitted no later than ten (10) calendar days after the change.
 - For students who are enrolled through the end of the school year, the update must be submitted on or before June 30th.
- PSUs are encouraged to conduct quarterly reviews of expenditures to monitor funding balances. If it is noted that there are unspent funds, these should be reverted or reused early on. When requests for reversions or reuse of funds are submitted too late in the year, other children may not be able to benefit from funds.
- All unused and unencumbered funds will revert on June 30th of each year.